11th ANNUAL REPORT
1983

ANNUAL REPORT
of
The Workers' Compensation Board

for the
Year Ended December 31, 1983

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BRIAN BOOTH, CHAIRMAN

Brian Booth was appointed as Chairman of the Board on January 1, 1983. Prior to his appointment of Chairman, Mr. Booth held the position of Executive Director.

STEVEN COULL, MEMBER

Steven Coull represents industry on the Board and is part owner of a diversified industrial supply company. A member and past director of the Yukon Contractors Association, Mr. Coull was appointed to the Board effective January 1, 1984.

GERRY DOBSON, MEMBER

Gerry Dobson represents labour on the Board. He was president of Local 926, United Steel Workers of America and has been very active in joint management-labour safety committees. Mr. Dobson was appointed to the Board effective June 1, 1981.

TO: THE HONOURABLE CLARKE ASHLEY
MINISTER, WORKERS' COMPENSATION BOARD
GOVERNMENT OF YUKON

In accordance with Section 10.1(9) of the Workers' Compensation Act, the Workers' Compensation Board is pleased to present its Annual Report for the year ended December 31, 1983.

The purpose of the Workers' Compensation Act is to provide recompense to the worker for wage loss due to disability from personal injury by accident arising out of employment without recourse to litigation. It ensures promptness and certainty of payment to the worker or dependants without unduly burdening the employer. During 1982 the Board continued to pursue its goal of providing the highest standard of service to injured workers.

WORKERS' COMPENSATION LEGISLATION

The Workers' Compensation Act was amended by the Legislative Assembly in 1982 effective January 1, 1983.

MAJOR AMENDMENTS

- The system of pensions based on clinical evaluation of disablement in percentage terms was abandoned in favour of a two phase approach. The first phase provides nominal lump sums related to the severity of the permanent handicap. The second phase is that the actual earning power is to be reviewed annually and compensation be based on the actual loss resulting from the injury, to age 65.

- An annuity at age 65.

- Changes in the claim appeal procedures, which assures a more thorough review of all evidence and assures the worker of impartiality.

- Pensions to dependant widows and widowers were increased to $650 from $438 per month.

- Pensions to dependant children were increased to $165 from $144 per month.

- The appointment of a full-time Chairman and two part-time members. This was a change from the previous practice of having a part-time Chairman and three part-time members.

- Independant operators may make application for personal coverage on a voluntary basis.

- Directors of limited companies rendering a service to the corporation may make application for personal coverage on a voluntary basis.

INCREASED BENEFITS

Increases in the amounts of compensation resulted from the provisions of Section 79 whereby the amounts of compensation are increased in accordance with changes in the Consumer Price Index. The amount of increase at January 1, 1983 was 10.8 percent.

- Lump sum payments to dependant widows or widowers who remarry were increased to $6,111 from $5,515.

- Payments to dependant widows or widowers for additional expenses resulting from the death of a worker were increased to $1,220 from $1,101.

- Payments for necessary burial expenses were increased to $1,397 from $1,261.

- Payments for transportation of body where necessary in fatal accidents were increased to $247 from $223.

- Existing pensions for permanent disability were increased by 10.8 percent.

CLAIMS

The total number of claims reported to the Board during 1983 was 1,059 compared with 1,354 during the year 1982.

The number of compensable fatal accidents during 1983 was 1, compared with 7 during the year 1982.

An employee covered under workers' compensation, if totally disabled longer than the day of the accident, is entitled to compensation computed at the rate of 75 percent of his average yearly earnings paid from the date following the accident and for the duration of disability. The maximum earnings used for computation of compensation during 1983 was $25,000 per annum. The minimum compensation payable for disability was $115 per week.

Where a worker is partially disabled he is paid compensation based on the degree of disability.

APPEALS

During 1983, the Board heard 86 appeals.

When there is a difference of opinion on medical issues, under Section 22 of the Act, the case is referred to an independant physician who is skilled in the field of medicine relating to the worker's injury or disease.

In 1983, 21 cases were referred under Section 22.

ASSESSMENTS

During the year, 1,545 employers established accounts compared with 2,061 during the year 1982. Provisional figures for 1983 indicated an assessable payroll at $182,698,000. Assessable payrolls exclude those portions of earnings above the maximum rate on which compensation is based.

The maximum assessable earnings for 1983 was $25,000 per annum. The minimum coverage available to proprietors, members of their families and to members of partnerships was $7,000 per annum.

The Board continued the merit rebate plan as a means to encourage employers toward accident prevention and to train their employees to become safety conscious.

During 1983, the Board continued to hold meetings with interested employer groups and associations before finally determining the rate of assessment applicable to the various classes of industry. These meetings were valuable in maintaining communications with employers concerning mutual problems.

REHABILITATION

Rehabilitation services provide an important aid in the workers' recovery from the effects of accident and industrial injury. The aim is to restore the workers' health and physical function to the greatest possible extent and to aid their return to meaningful and productive employment.

Physical rehabilitation involves therapy treatment as prescribed by the attending physician, such as physiotherapy. Occupational rehabilitation includes retraining workers to resume pre-accident employment with the original employer, training injured workers to provide new skills within their capabilities, and their placement in suitable employment with other employers.

The Board is appreciative of the active and willing cooperation of the employers who assisted in the placement of workers and the upgrading of skills.

GENERAL

The financial results for the year indicate a significant shift in the operating or rate stabilization reserve of the fund. Contributing classes are now in a surplus position.

During the year, the Board continued to cooperate with the Occupational Health and Safety Division of the Government of Yukon. The Board paid to the Government of Yukon the amount of $65,270 to cover the costs of the program from the assessments levied on employers. First Aid courses were offered at no charge to workers under the Workers' Compensation Act.

The Board held meetings with industry, management and labour groups, and welcomed the opportunity to explain the administration of the Act and the procedures involved in processing employer's accounts and adjudicating claims.

The assistance received from the Auditor General of Canada and members of his staff was very much appreciated.

The effectiveness of the Board's operations depends greatly upon the capable and dedicated work of each member of the staff. The Board commends them for providing dedicated and efficient service to the injured workers, the employers, and all other appurtenant groups.

Respectfully submitted,

Brian Booth, Chairman

G. Dobson, Member

S. Coull, Member

EXHIBIT "A"

MONTH OF OCCURENCE OF ACCIDENTS REPORTED

January 1 - December 31, 1983

CLASS	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTORER	NOVEMBER	DECEMBER	TOTAL
1	0	3	1	0	3	6	3	12	5	6	3	2	44
2	7	10	8	15	18	23	26	37	37	21	8	2	212
3	1	5	5	4	3	7	11	13	14	14	12	5	94
4	4	6	4	6	9	9	15	8	8	10	5	3	87
5	2	1	0	0	1	3	0	0	2	2	1	0	12
6	14	11	14	14	11	16	27	20	22	16	13	17	195
7	5	10	9	6	8	6	7	7	10	4	10	4	86
Gov't	14	10	17	15	15	19	17	11	19	20	20	14	191
N/C	6	7	9	6	12	18	13	13	15	15	15	9	138
Total	53	63	67	66	80	107	119	121	132	108	87	56	1,059

EXH

PARTS OF BODY AFFECTI

January 1 - D

CLASS	HEAD-FACE	EAR	EYE	MULTIPLE FACE	SCALP	NECK	ARM	WRIST	HAND	FINGERS
1	1	2	7	3	0	1	1	1	4	4
2	4	2	40	1	2	6	9	6	17	34
3	4	1	18	4	0	0	2	2	5	16
4	2	0	14	1	0	1	2	3	11	18
5	0	1	2	0	0	0	0	1	0	0
6	1	2	14	0	2	1	10	8	17	57
7	4	1	15	3	1	1	4	1	3	12
Gov't	3	4	29	8	0	2	8	3	6	26
N/C	5	2	19	1	1	1	6	5	9	21
TOTAL	24	15	158	21	6	13	42	30	72	188

EXHIBIT "B"

NATURE OF INJURY IN ACCIDENTS REPORTED

January 1 - December 31, 1983

CLASS	AMPUTATION	CHEMICAL BURNS	BURN/SCALD	CONCUSSION	CONTUSION BRUISE	LACERATION	DISLOCATION	FRACTURE	HERNIA	ARRASION FOREIGN BODY	SPRAIN STRAIN	MULTIPLE	HEARING	POISONING	NON PERSONAL	UNIDENTIFIED	FROSTBITE	ULTRA VIOLET RADIATION	TOTAL
1	0	0	4	1	5	9	0	2	1	6	11	0	2	1	0	0	0	2	44
2	1	5	6	2	52	40	0	5	0	32	59	0	1	0	1	0	1	7	212
3	0	0	2	2	15	34	0	0	0	16	22	0	1	1	0	0	0	1	94
4	0	0	1	0	26	18	1	1	0	14	24	0	0	0	0	0	1	1	87
5	0	0	0	0	2	0	0	1	0	2	6	0	1	0	0	0	0	0	12
6	2	3	5	0	33	60	0	2	0	16	69	1	2	1	0	0	1	0	195
7	0	0	1	0	16	16	0	2	0	16	33	0	0	0	1	0	1	0	86
Gov't	2	1	6	0	49	27	0	6	1	23	64	0	3	2	7	0	0	0	191
N/C	1	2	4	3	21	29	1	4	1	17	48	1	2	2	0	1	0	1	138
TOTAL	6	11	29	8	219	233	2	23	3	142	336	2	12	7	9	1	4	12	1,059

EXHIBIT"C"

PARTS OF BODY AFFECTED IN ACCIDENTS REPORTED

January 1 - December 31, 1983

CLASS	HEAD-FACE	EAR	EYE	MULTIPLE FACE	SCALP	NECK	ARM	WRIST	HAND	FINGERS	ABDOMEN	BACK	CHEST	HIPS	SHOULDERS	THIGH - LEG	KNEE	ANKLE-FOOT	RESPIRATORY	MULTIPLE	TOTAL
1	1	2	7	3	0	1	1	1	4	4	0	6	0	1	0	1	1	7	1	3	44
2	4	2	40	1	2	6	9	6	17	34	0	24	5	0	2	10	15	21	0	14	212
3	4	1	18	4	0	0	2	2	5	16	1	9	3	1	1	3	6	10	1	7	94
4	2	0	14	1	0	1	2	3	11	18	0	13	4	1	2	1	2	7	0	5	87
5	0	1	2	0	0	0	0	1	0	0	0	4	0	0	0	0	0	2	0	2	12
6	1	2	14	0	2	1	10	8	17	57	0	44	2	0	1	0	3	25	1	7	195
7	4	1	15	3	1	1	4	1	3	12	0	18	1	1	4	2	1	7	0	7	86
Gov't	3	4	29	8	0	2	8	3	6	26	2	37	2	4	6	8	8	20	2	13	191
N/C	5	2	19	1	1	1	6	5	9	21	1	27	2	0	1	2	13	13	2	7	138
TOTAL	24	15	158	21	6	13	42	30	72	188	4	182	19	8	17	27	49	112	7	65	1,059

IT "C"

D IN ACCIDENTS REPORTED

ember 31, 1983

ABDOMEN	BACK	CHEST	HIPS	SHOULDERS	THIGH - LEG	KNEE	ANKLE-FOOT	RESPIRATORY	MULTIPLE	TOTAL
0	6	0	1	0	1	1	7	1	3	44
0	24	5	0	2	10	15	21	0	14	212
1	9	3	1	1	3	6	10	1	7	94
0	13	4	1	2	1	2	7	0	5	87
0	4	0	0	0	0	0	2	0	2	12
0	44	2	0	1	0	3	25	1	7	195
0	18	1	1	4	2	1	7	0	7	86
2	37	2	4	6	8	8	20	2	13	191
1	27	2	0	1	2	13	13	2	7	138
4	182	19	8	17	27	49	112	7	65	1,059

EXHIBIT "D"

PERMANENT DISABILITY AWARDS APPROVED

January 1 - December 31, 1983

CLASS	EYE	THUMB FINGERS	WRIST	ELBOW	HAND	ANKLE	FOOT	KNEE	BACK	SHOULDER	NECK	HEARING	TOTAL
1	-	1	-	1	-	-	-	1	2	-	-	5	10
2	1	-	-	-	-	1	1	-	2	1	-	4	10
3	1	1	-	-	-	1	-	-	1	-	-	-	4
4	-	-	1	-	-	-	-	-	-	-	-	-	1
5	-	-	-	-	-	-	-	-	-	-	1	1	2
6	-	-	-	-	1	-	1	-	1	-	-	-	3
7	-	-	-	-	-	-	-	-	-	-	-	-	0
Gov't	-	1	-	-	-	-	-	-	1	-	-	-	2
TOTAL	2	3	1	1	1	2	2	1	7	1	1	10	32

EXHIBIT "E"

TYPE OF ACCIDENT CAUSING THE FATAL CLAIM ALLOWED DURING THE PERIOD
January 1 - December 31, 1983

CLASS	AGE	
3	59	Airplane Crash

EXHIBIT "F"

ASSESSABLE PAYROLLS
FOR THE YEAR ENDED DECEMBER 31, 1983

CLASS	1983	1982
	(thousands of dollars)	
1	$16,188	$30,161
2	22,290	27,753
3	5,684	5,279
4	12,433	14,869
5	4,228	6,542
6	37,246	43,871
7	27,820	29,401
Gov't.	56,809	41,428
	$182,698	$199,304

EXHIBIT "G"

CLASSIFICATION OF INDUSTRIES
AND
ASSESSMENT RATES
(Per $100.00 of Payroll)

CLASS	INDUSTRY	RATE 1983	RATE 1982
1.	MINING	$4.00	$4.00
	Metal Mining		
	Consulting		
	Geochemical & Geophysical Exploration		
	Mapping, Surveying & Prospecting		
	Mineral Exploration		
2.	HEAVY CONSTRUCTION AND TRUCKING	7.25	7.50
	Diamond Drilling		
	Drilling or Servicing of Gas or Oil Wells		
	Seismic Geophysical Exploration		
	Placer Mining		
	Water Well Drilling or Digging		
	Installation or Removal of Boilers, Machines or Engines		
	Fabrication or Steel Erection		
	Bridge Construction, Road Making or Land Clearing		
	Moving Buildings		
	Gravel Crushing or Stockpiling		
	Excavation, Waterworks or Sewer Construction		
	Construction of Oil or Natural Gas Pipeline		
	Slashing, Staking or Line Cutting		
	Construction of Transmission Lines		
	Blasting		
	Crane Operations		
	Trucking or Hauling		
	Outfitting		
	Pilot Car Service		
	General Construction, Heavy, NEC		
3.	LIGHT CONSTRUCTION	4.50	4.50
	Logging, Log Hauling, Skidding or Sawmills		
	Building Construction, NEC		
	Roofing		
	Concrete Construction, Masonry or Bricklaying		
	Installation or Repair of Elevators or Trailers		
	Floor Laying or Ceramic Tile Contracting		
	Insulation of Buildings		
	Painting, Drywalling, Plastering, or Lathing Contracting		
	Operation of Concrete Mixing Plants including Transit Mix Operation		
	Diving		

LASS	INDUSTRY	RATE	
		1983	19[illegible]
	SPECIFIED TRADES	$ 3.50	$ 3.50
	Plumbing, Steam Fitting or Gas Fitting		
	Mfg. or Installation of Heating, Air Conditioning, Ventilation or Fire Sprinkler Systems		
	Electrical Contracting		
	Machine, Carpentry or Glazing Shops		
	Sales and Service of Heavy Equipment		
	Welding Shops or Portable Welding		
	Light & Power Operations, including Line Construction when carried on as one industry		
	Operation of Gas Line Stations		
	Wholesale Establishments		
	Manufacturing		
	Sales & Service of Household & Small Equipment		
	Operation of Retail or Wholesale Lumber Yards		
	Upholstering or Auctioneering		
	Farming		
	Service Trades, NEC		
	Indian Bands		
	TRANSPORTATION	5.00	5.00
	Operation of Railroads		
	Operation of Aircraft for Charter or Flying Schools		
	Operation of Airlines		
	SERVICE INDUSTRIES	2.00	2.00
	Janitor Services		
	Landscaping		
	Restaurants		
	Catering		
	Manufacturing and/or Processing of Food Products or Beverages		
	Laundries & Dry Cleaning Plants		
	Operation of Hotels, Motels, Lodges, Cabarets or Lounges		
	Operation of Buildings or Trailer Courts		
	Public Amusements, Private Clubs or Recreation Centres		
	Operation of Homes for Children & Aged		
	First Aid Attendants or Security Police		
	Bus Lines or Operation of School Buses		
	Taxis		
	Boat Cruises		
	Sales, Service, Rentals & Repairs of Vehicles		
	Bulk Oil Dealers		
	Printing, Publishing, Lithography or Engraving		
	Locksmiths		
	Retail Sales		
	Assaying		
	Funeral Homes		
	Veterinary Clinics		
	Hairdressing & Barber Shops		
	Commercial Salesman		
	Service Industries, NEC		

CLASS	INDUSTRY	RATE 1983	RATE 1982
7.	PROFESSIONAL BUSINESS OR PUBLIC ADMINISTRATION Radio, Television, Motion Picture or Live Entertainment Unions Insurance, Real Estate, Companies, Chartered Accountants, Lawyers, Medical, Dental or Optical Clinics or Offices, Banks, Financial Companies, or Stock Brokers Travel Agencies Cities, Towns, Municipalities, Villages Telephone Companies Clerical Employees, Supplying as a Business Churches, Libraries & Museums Daycare, Associations or Societies Professions or Businesses, NEC	$0.80	$0.80
8.	GOVERNMENT Government of Yukon	Deposit	Deposit

YUKON
WORKERS' COMPENSATION BOARD
STATEMENT OF TRANSACTIONS BY CLASS
AND OPERATING RESERVE
FOR THE YEAR ENDED DEC. 31, 1983
[Thousands of Dollars]

	INCOME				EXPENSE														
Class	Assessment Revenue	Interest	Deduct Merit Rebates	Net Revenue	Compensation	Medical Aid	Pension Awards	Total Claim Costs	Deduct Charges to Future Claim Costs	Deduct Charges to Reserves	1983 Claim Costs Settled	Provision For Future Claim Costs	Provision For Reserves	Interest Transferred To Reserves	Administrative Expense	Net Expenditure	1983 Surplus	Operating Reserve January 1, 1983	Operating Reserve Dec. 31, 1983
1	$ 660	$ 942	$ 100	$1,502	$ 122	$ 37	$ 299	$ 458	$ 230	$ 199	$ 29	$ 45	$ 668	$ 734	$ 94	$1,570	$ (68)	$1,343	$1,275
2	1,778	1,363	226	2,915	271	122	668	1,061	812	124	125	199	466	1,038	202	2,030	885	2,049	2,934
3	262	312	17	557	41	31	94	166	128	1	37	91	73	258	37	496	61	355	416
4	438	235	80	593	33	13	90	136	104	12	20	31	257	165	66	539	54	394	448
5	219	150	26	343	13	24	478	515	199	307	9	12	358	91	29	499	(156)	367	211
6	752	367	116	1,003	100	103	70	273	78	87	108	158	191	307	158	922	81	245	326
7	221	125	27	319	29	21	-	50	10	-	40	61	58	76	90	325	(6)	339	333
Gov't	348	184	-	532	65	44	199	308	-	-	308	-	-	146	40	494	38	(38)	-
	$4,678	$3,678	$ 592	$7,764	$ 674	$ 395	$1,898	$2,967	$1,561	$ 730	$ 676	$ 597	$2,071	$2,815	$ 716	$6,875	$ 889	$5,054	$5,943

WORKERS' COMPENSATION BOARD - YUKON

ACTUARIAL OPINION

We have reviewed the data supplied to us by the Chairman of the Workers' Compensation Board, but have not ourselves carried out at audit, as the Fund is subject to audit by the Auditor General of Canada. However, we are satisfied from general tests of the data, that it represents the position at the valuation date, and is adequate and reliable for the purpose of valuation.

We have estimated the liability for pensions currently payable at the December 31, 1983 level, together with the increases which took effect from January 1, 1984 under the formula in the Workers' Compensation Ordinace, but excluding Supplementary Pensions payable under the Workers' Compensation Supplementary Benefits Ordinance, as these are not the responsibility of the Board.

The details of the actuarial assumptions and methods are set out in full in our Report to the Board dated March 24, 1984. In our opinion, we consider these to be appropriate for the purpose of the present valuation, and in accordance with sound actuarial principles and practice.

On this basis, the present value of the liability for existing pensions at December 31, 1983 was $9,825,793 and for the increases which became effective from January 1, 1984 was $557,453, giving a total present value of the liabilities of $10,383,246. As the Fund held at December 31, 1983 was $10,458,078 there was a surplus of $74,832.

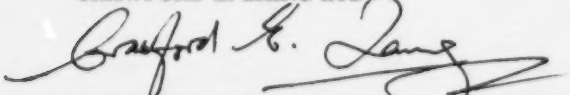
WE RECOMMEND that this surplus should be retained in the Pension Fund as an additional margin against future increases in pensions.

We are satisfied that the aggregate Future Claims Provision of $4,778,431 (including the provision for 1983 accidents of $596,551) is fully adequate on the basis of experience to date to meet both the future cost of reported claims and the cost of possible unreported claims in respect of accidents that have already occurred, and that will be charged to this reserve, excluding amounts that will be the responsibility of the Special Reserves.

In our opinion, we consider that the Special Reserves totalling $11,400,407 make appropriate provision, in the light of the claims experience to date, for the liabilities which will be charged against them in future in respect of accidents that have already occurred, and arising from:

(a) Disasters and other costs in excess of the limits set for retention and stop-loss purposes;
(b) Silicosis and other Industrial Diseases;
(c) Rehabilitation of injured workers; and
(d) Enhancement of claims as a result of previous injuries.

Respectfully submitted for
CRAWFORD E. LAING LTD



CRAWFORD E. LAING
F.C.I.A. F.F.A., A.I.A., A.S.A., F.C.A.
President & Actuary

June 28, 1984

AUDITOR GENERAL OF CANADA VÉRIFICATEUR GÉNÉRAL DU CANADA

AUDITOR'S REPORT

The Honourable C. Ashley, M.L.A.
Executive Council Member responsible for the
Yukon Workers' Compensation Fund

I have examined the balance sheet of the Compensation Fund (Yukon Territory) as at December 31, 1983 and the statement of income, expense and operating reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1983 and the results of its operations for the year then ended in accordance with the accounting policies set out in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

I further report that, in my opinion, proper books of account have been kept by the Board, the financial statements are in agreement therewith and the transactions that have come under my notice have been within its statutory powers.

Kenneth M. Dye, F.C.A.
Auditor General of Canada

Ottawa, Canada
April 19, 1984

COMPENSATION FUND
[Yukon Territory]

Balance Sheet
as at December 31, 1983

ASSETS

	1983	1982
	(thousands of dollars)	
Cash and term deposits	$ 3,183	$ 6,120
Assessments receivable (Note 4)	621	693
Other accounts receivable	84	69
Accrued interest receivable	748	652
Investments (Note 5)	29,254	21,592
	$ 33,890	$ 29,126

LIABILITIES

Accounts payable	$ 133	$ 109
Assessments refundable	550	689
Merit rebates	627	876
Future claim costs (Note 6)	4,778	5,165
Pension liability (Note 7)	10,458	8,280
	$ 16,546	$ 15,119

RESERVES

Special (Note 8)	11,401	8,953
Operating	5,943	5,054
	17,344	14,007
	$ 33,890	$ 29,126

Approved by the Workers' Compensation Board:

Chairman

Member

Member

COMPENSATION FUND
[Yukon Territory]

Statement of Income, Expense and Operating Reserve
for the year ended December 31, 1983

	1983	1982
	(thousands of dollars)	
Income		
Assessments	$4,678	$5,520
Less: Merit rebates	592	754
	4,086	4,766
Interest	3,678	3,175
Supplementary compensation benefits recovered (Note 9)	286	245
	8,050	8,186
Expense		
Claim costs		
Compensation	278	314
Medical aid and travel	199	218
Pension awards	199	550
	676	1,082
Transfers to		
Special reserves	2,071	1,841
Future claim costs	597	927
	3,344	3,850
Allocation of interest	2,815	2,355
Administrative (Note 10)	716	647
Supplementary compensation benefits (Note 9)	286	245
	7,161	7,097
Excess of income over expense for the year	889	1,089
Operating reserve at beginning of the year	5,054	3,965
Operating reserve at end of the year	$5,943	$5,054

COMPENSATION FUND
[Yukon Territory]

Notes to Financial Statements
December 31, 1983

1. Authority and operations

The Fund was established in 1973 by the Workers' Compensation Act and is administered by the Workers' Compensation Board pursuant to the Act.

The Fund provides compensation for injury or death by accident arising out of and in the course of employment. Assessments are levied upon employers usually on the basis of a percentage of their assessable payrolls reported.

2. Accounting policies

(a) Allowance for doubtful accounts

An allowance for doubtful assessments receivable is provided for by charges against assessment income. Doubtful accounts are written off if deemed uncollectable after three years.

(b) Investments

Investments are recorded at cost at the time of acquisition. Discounts or premiums are amortized on a straightline basis over the term of the investment.

(c) Future claim costs

In accordance with Section 57 of the Act, the estimated liability for future claim costs is based on the present value of expected future costs of claims in process, additional costs arising in future years in respect of awards already made, and accidents which have occurred but which have not been reported.

(d) Pension liability

The pension liability represents the capitalized value of future payments of pension awards. Except for pension awards provided from the special reserves when applicable, all pensions awarded for the current year's claims are provided for annually from operations and those awarded for prior years' claims are provided from the liability for future claim costs.

(e) Special reserves

Pursuant to Section 57 of the Act, special reserves are established, for the following purposes, by an annual appropriation from net assessment income of each industrial classification, based on claims experience:

Disaster - to meet the loss arising or likely to arise from disaster or other circumstances that would unfairly burden the employers in any class. In accordance with Board policy the amount of any individual claim cost in excess of established limits for each class is charged to the disaster reserve.

Rehabilitation - to meet expenses incurred in the rehabilitation of injured workers.

Enhanced disability - to meet the claim costs of disabilities aggravated by a previous disability.

Industrial diseases - to meet the claim costs arising from other industrial diseases.

Silicosis - to provide for claims resulting from silicosis.

(f) Operating reserve

In accordance with Section 57(1) (g) of the Act, this reserve is maintained to provide stability in the assessment rates for each class from year to year and represents the net balance to the credit of the industrial classes.

(g) Assessments and merit rebates

Assessment income is calculated on actual payroll costs as reported. Separate rates of assessment are established for each industrial classification sufficient to provide funds to meet all claims costs, administrative expenses and transfers to reserves.

Merit rebates are allowed to employers with favourable claims experience in the immediately preceding three calendar years. Merit rebates provided for at the year-end represent the estimated rebates to be allowed on claims experience for the three prior years.

(h) Claim costs

Claim costs are provided for in the year in which the accident occurs and comprise compensation, pension awards, medical aid and travel and transfers to future claim costs and special reserves. Pension awards and the liability for future claim costs are capitalized at an interest rate equal to the difference between the estimated annual rate of future interest earnings and the estimated annual rate of statutory cost of living increases.

(i) **Allocation of interest income and administrative expense**

Interest income is allocated to liabilities and reserves according to the mean balances for the year.

Administrative expense, net of income from penalties, is allocated proportionately to each industrial classification within the operating reserve.

3. Actuarial valuation

An Actuarial valuation of the Fund, which is required to be carried out at least triennially in accordance with the Workers' Compensation Act, was completed as of December 31, 1983.

4. Assessments receivable

Assessments receivable are recorded net of an allowance for doubtful accounts of $280,000 (1982 - $578,000). Accounts written off during the year amounted to $105,000 (1982 - $27,000).

5. Investments

	1983		1982
	(thousands of dollars)		
	Par Value	Amortized Cost	Amortized Cost
Government of Canada bonds	$ 8,900	$ 8,805	$11,022
Provincial and provincial guaranteed bonds	18,650	18,862	9,570
Other	1,550	1,587	1,000
	$29,100	$29,254	$21,592

Market Value

1983 - $29,970,000
1982 - $22,627,000

6. Future claim costs

	1983	1982
	(thousands of dollars)	
Amounts provided		
By class	$ 597	$ 927
Allocation of interest	577	561
	1,174	1,488
Amounts applied		
Transfer to pension liability	993	336
claim payments	568	728
	1,561	1,064
Increase (decrease) for the year	(387)	424
Balance at beginning of the year	5,165	4,741
Balance at end of the year	$4,778	$5,165

7. Pension liability

	1983	1982
	(thousands of dollars)	
Amounts provided		
Transfers from		
Future claim costs	$ 993	$ 336
Special reserves	430	598
Operations	186	515
Allocation of interest	1,133	911
	2,742	2,360
Amounts applied		
Pension payments	564	388
Increase for the year	2,178	1,972
Balance at beginning of the year	8,280	6,308
Balance at end of the year	$10,458	$ 8,280

The transfer during the year from future claim costs includes an amount of $772,000 to cover the capitalized value of pension increases for dependant spouses and children pursuant to an amendment to the Workers' Compensation Act, effective January 1, 1983.

In addition to the amount transferred to the pension liability from operations, pension awards for current year's claim costs include lump sum payments of $13,000 (1982 - $35,000).

An actuarial valuation of the pension liability at December 31, 1983 revealed a surplus of $74,800 after providing for the capitalized value of cost of living adjustments effective January 1, 1984.

The interest rate used during the year for the capitalization of pension awards and potential pension awards, and for the valuation of the pension liability at December 31, 1983 was 1.25% (1982 - 1.25%).

8. Special reserves

	1983						1982
	Disaster	Rehabilitation	Enhanced Disability	Industrial Diseases	Silicosis	Total	Total
	(thousands of dollars)						
Amounts provided							
By class	$ 823	$ 374	$ 187	$ 687	$ -	$ 2,071	$1,841
Interest	410	269	230	100	96	1,105	883
	1,233	643	417	787	96	3,176	2,724
Amounts applied							
Transfer to pension liability	359	-	-	71	-	430	598
Claim payments	127	97	3	71	-	298	196
	486	97	3	142	-	728	794
Increase for the year	747	546	414	645	96	2,448	1,930
Balance at beginning of the year	3,427	2,143	1,785	850	748	8,953	7,023
Balance at end of the year	$4,174	$2,689	$2,199	$1,495	$ 844	$11,401	$8,953

9. Supplementary compensation benefits

Supplementary compensation benefits are granted, pursuant to the Workers' Compensation Supplementary Benefits Act, to all persons receiving compensation on or after October 1, 1973 for accidents prior to that date. Compensation is increased to the amount that would have been granted had the accident occurred after the coming into force of the Act. The Act provides that any amounts of these benefits shall be reimbursed out of the Yukon Consolidated Revenue Fund.

10. Administrative expense

	1983	1982
	(thousands of dollars)	
Salaries	$ 509	$466
Rentals and supplies	122	115
Occupational health & safety	65	45
Professional services	47	53
Medical fees	14	21
Other	25	25
	782	725
Less: Income from penalties	66	78
	$ 716	$ 647

11. Comparative figures

For comparative purposes, certain of the prior year's figures have been reclassified to conform to the current year's presentation.

PARTICULARS OF INVESTMENTS
AS AT DECEMBER 31, 1983

	Par value	Cost or amortized Cost
	(thousands of dollars)	
Government of Canada Bonds		
13.75% due Aug. 1, 1984	500	500
13.75% due Mar. 15, 1985	250	250
8.75% due Feb. 1, 1988	350	349
10.5% due Mar. 15, 1988	500	496
15.00% due Jun. 1, 1992	500	497
11.75% due Dec. 15, 1992	1,300	1,305
10.75% due May 1, 1993	500	499
11.50% due Dec. 15, 1993	1,500	1,483
10.00% due Oct. 1, 1995	1,000	1,006
13.00% due May 1, 2001	2,500	2,420
	$8,900	$8,805
Provincial and Provincial guaranteed bonds		
Quebec Hydro		
13.50% due Sept. 24, 1984	$ 500	$ 500
Province of Quebec		
13.25% due Nov. 5, 1985	1,000	981
16.25% due Mar. 22, 1987	500	506
Province of Nova Scotia		
13.75% due May 1, 1985	1,000	985
12.0% due Nov. 1, 1993	2,000	1,980
New Brunswick Electric		
13.75% due May 15, 1985	1,000	987
11.75% due Feb. 8, 1993	1,000	991
Province of Saskatchewan		
13.375% due Apr. 1, 1986	500	500
11.50% due Oct. 12, 1988	500	498
Province of New Brunswick		
13.75% due Apr. 8, 1986	500	498
15.50% due June 3, 1987	250	250
Nova Scotia Power		
15.50% due Dec. 1, 1986	500	503
13.50% due Dec. 1, 2002	1,400	1,449
Newfoundland & Labrador Hydro		
15.25% due Sept. 15, 1987	1,500	1,508
B.C. Building Corp.		
15.5% due Sept. 8, 1987	2,700	2,951
Province of Ontario		
10.5% due May 4, 1988	2,300	2,290
Ontario Hydro Electric		
10.75% due Dec. 7, 1988	1,500	1,485
	$18,650	$18,862
Other		
C.I.B.C. Mortgage Corp.		
14.75% due Apr. 17, 1985	$ 750	$ 772
14.25% due Mar. 12, 1986	300	315
Continental Bank of Canada Deposit certificate		
12.50% due Jun. 2, 1985	500	500
	$ 1,550	$ 1,587
	$29,100	$29,254

POOR

QUALITY

ORIGINAL